SUMMARY OF INDICATIVE TERMS AND CONDITIONS TO $400,000,000 AMENDED AND RESTATED FIVE-YEAR CREDIT AGREEMENT

This Summary of Indicative Terms and Conditions does not represent a commitment to lend. Any such commitments shall be documented in the final loan documentation. The indicative terms and conditions outlined herein are not intended to be all inclusive, but rather set forth a framework from which a mutually satisfactory transaction may be structured.

Borrower: South Carolina Electric & Gas Company, a South Carolina corporation (the "Borrower")

Co-Lead Arrangers: Wachovia Capital Markets, LLC and Banc of America Securities LLC ("Arrangers")

Administrative Agent: Wachovia Bank, National Association

Lenders: A syndicate of lenders mutually acceptable to the Borrower and the Arrangers (the "Lenders") arranged by the Arrangers

Facility: An unsecured five-year revolving credit facility in an aggregate principal amount of $400,000,000.00 (the "Facility")

Existing Facility: Amended and Restated Five-Year Credit Agreement dated as of June 30, 2005, among the Borrower, Wachovia, as Administrative Agent, Bank of America, N.A., as Syndication Agent, The Bank of New York and Branch Banking and Trust Co. of South Carolina, as Documentation Agents and certain other lenders party thereto (the "Existing Credit Agreement")

Purpose: General corporate purposes, including interim financing for Borrower's construction program, working capital requirements, and commercial paper back-up

Maturity: The Facility shall terminate and, except as provided for under a term-out option, all amounts outstanding thereunder shall be due and payable five years from Closing

Closing: On or before December 31, 2006

Interest Rate Options: The Borrower's option of:

(1) Base Rate: The Base Rate (as defined below). Loans bearing interest at the Base Rate shall be for a minimum amount of $5,000,000 and $1,000,000 increments in excess thereof.

The Base Rate means the greater of (i) the Administrative Agent's Prime Rate or (ii) the overnight federal funds rate plus 0.50%. The Prime Rate is an index or base rate and shall not necessarily be the Administrative Agent's lowest or best rate charged to its customers or other banks.

(2) LIBOR Rate: LIBOR plus the Applicable LIBOR Rate Margin as set forth in the pricing grid attached hereto as Exhibit I. Loans bearing interest at the LIBOR Rate shall be for a

minimum amount of $5,000,000 and $1,000,000 increments in excess thereof.

LIBOR shall mean reserve adjusted LIBOR as set forth on Telerate Page 3750 or as reasonably determined by the Administrative Agent if such information is not available. The LIBOR Rate Option is available for Interest Periods of 1, 2, 3, or 6 months. No more than 6 Interest Periods may be in effect at any time. The LIBOR Rate shall be adjusted for FDIC and regulatory reserve requirements.

Facility, Utilization and Other Fees:

The Borrower shall pay a facility fee ("Facility Fee") on the total amount of the Facility regardless of usage quarterly in arrears at the rate per annum reflected on the attached Exhibit I.

The Borrower shall pay a utilization fee (the "Utilization Fee") determined in accordance with the attached Exhibit I, on all outstanding loans under the Facility if the aggregate principal amount of outstanding loans exceeds 50% of the aggregate amount of the Facility. The Utilization Fee is payable quarterly in arrears.

The Borrower shall pay the Administrative Agent's fees as set forth in the Fee Letter to be entered into among the Borrower, the Administrative Agent and the Arrangers.

Conditions Precedent to Closing:

The Closing of the Facility will be subject to satisfaction of usual and customary closing conditions, substantially similar to those contained in the Existing Credit Agreement

Conditions Precedent to All Loans:

Usual and customary for facilities of this type and substantially similar to those contained in the Existing Credit Agreement

Representations and Warranties:

Usual and customary for facilities of this type and substantially similar to those contained in the Existing Credit Agreement

Affirmative and Negative Covenants:

Usual and customary for facilities of this type and substantially similar to those contained in the Existing Credit Agreement

Financial Covenant:

Debt to Total Capitalization of the Borrower not to exceed 70.0%. Hybrid securities will be carved out of the definition of Indebtedness for the purposes of covenant compliance (Hybrids will be included in the definition of Total Capitalization).

Events of Default:

Usual and customary for facilities of this type and substantially similar to those contained in the Existing Credit Agreement

Expenses:

The Borrower shall pay all reasonable costs and expenses associated with the preparation, due diligence, administration, syndication and enforcement of all documentation executed in connection with the Facility, including, without limitation, the reasonable legal fees of counsel to the Administrative Agent and Arrangers, regardless of whether or not the Facility is closed. The Borrower shall also pay the expenses of each Lender (including, without limitation, the reasonable legal fees and expenses of counsel to the Administrative Agent and Arrangers) in connection with the enforcement of any loan documentation of the Facility.

Exhibit I

Issuer Rating	Applicable LIBOR Rate Margin	Facility Fee	Utilization Fee
Level 1 at least A+/A1	.175%	.050%	.050%
Level 2 less than A+/A1; at least A/A2	.200%	.060%	.050%
Level 3 less than A/A2; at least A-/A3	.250%	.070%	.050%
Level 4 less than A-/A3; at least BBB+/Baa1	.350%	.090%	.050%
Level 5 Less than BBB+/Baa1; at least BBB/Baa2	.450%	.110%	.050%
Level 6 less than BBB/Baa2; at least BBB-/Baa3	.550%	.150%	.100%
Level 7 less than BBB-/Baa3	.700%	.200%	.100%

The Applicable LIBOR Rate Margin, Facility Fee and Utilization Fee will be determined by the higher of (a) with respect to Moody's Investor Service ("Moody's"), the issuer rating assigned to the Borrower by Moody's and (b) with respect to Standard & Poor's Rating Service ("S & P"), the rating assigned to the Borrower's senior, unsecured non-credit enhanced, long-term debt by S & P in accordance with the schedule set forth above ("Issuer Rating").

In the event a rating differential of more than one level exists, the Issuer Rating shall be deemed to be one level below the highest such rating. If either S & P or Moody's shall not have provided an Issuer Rating, the Issuer Rating shall be deemed to be the lowest rating assigned by S & P or Moody's.